

Julius Genachowski, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

June 6, 2011

WT 11-65: In the Matter of applications of AT&T Inc. and Deutsche Telekom AG for consent to assign or Transfer Control of licenses and Authorizations

Dear Chairman Genachowski:

As our economy recovers, technology start-ups will help lead the way in creating new jobs and reviving struggling communities. To get off the ground, these growing companies rely on initial financial backing from a small community of venture capital firms. According to the National Venture Capital Association, each year, the venture capital community generates roughly \$3 trillion in revenue, puts more than 12 million people to work, and accounts for more than one-fifth of the total economy.

Many of the fast-growing companies we invest in are technology firms that would benefit greatly from the combination of AT&T and T-Mobile, a merger that will drive job growth, innovation and economic opportunity through a more efficient and robust national wireless network. From the mainframe to the PC to the microchip and the Internet, venture capitalists are an integral part of an economic model that has proven to be successful time and time again.

In our estimation, the greatest opportunity for economic growth involves wireless broadband and mobile devices. But this great growth opportunity faces a major impediment with the looming prospect of “spectrum exhaust”: overcrowded networks will be unable to provide the bandwidth required for the exciting new applications and other innovative ideas that are now being developed by tomorrow’s successful companies.

We encourage policymakers to continue their efforts to free up the spectrum necessary to enable all network providers to construct next-generation broadband networks. In AT&T’s and T-Mobile’s merger applications, however, the companies make clear the near-term difficulties that carriers currently face: market-specific capacity issues coupled with longer-term spectrum needs that will delay or prevent the deployment of these next-generation wireless broadband networks.

By combining the physical infrastructure and spectrum positions of the two companies, the merged entity will be able to accomplish what neither firm can do on its own: namely, deploying a 4G LTE broadband infrastructure to more than 97% of the United States population.

That commitment would ensure that millions of Americans throughout the United States will have access to a network that will promote innovative technologies, applications and devices. This foundation will help ensure that venture capitalists and innovators can continue to do what they do best: lead the world in developing new robust applications, software and technology. This merger represents a critical part of the solution to our spectrum crisis in the United States.

Enhancing network capabilities and increasing wireless broadband access to nearly all Americans will unlock previously unimagined entrepreneurial opportunities for countless others who now do not have access to high-speed networks. For the companies we invest in, these new broadband users represent millions of potential new customers and business partners that will help these early-stage companies establish their business – and repeat the proven virtuous economic cycle of start-up financing all over again. We urge the Commission to approve this transaction in order to keep the United States at the forefront of innovation and technology.

Thank you for your consideration.

Jon Auerbach
Charles River Ventures

Will Griffith
Technology Crossover Ventures

Tim Barrows
Matrix Partners

Promod Haque
Norwest Venture Partners

Kevin Compton
Radar Partners

Stratton Sclavos
Radar Partners

Daniel Deeney
New Venture Partners

Jake Seid
Lightspeed Ventures

CC:

Commissioner Meredith Attwell Baker

Commissioner Mignon Clyburn

Commissioner Michael Copps

Commissioner Robert McDowell